GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3547
ANSWERED ON:27.04.2007
TAX WAIVER FOR HOTELS
Pallani Shamy Shri K.C .

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has extended tax waiver for hotels in the National Capital Region;

(b) if so, the details thereof;

(c) whether the Government has received similar demand from other parts of the country; and

(d) if so, the action taken by the Government thereon?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE: (SHRI S.S. PALANIMANICKAM)

(a) Yes, Sir.

(b) The Finance Bill, 2007 proposes to provide a 100% deduction of profits and gains derived by a hotel or a convention centre for a period of five years if such hotel or convention centre is located in the National Capital Territory of Delhi or in the districts of Faridabad, Gurgaon, Gautam Budh Nagar and Ghaziabad and fulfills other specified conditions.

(c) Yes, Sir.

(d) Since the tax benefit is intended to develop the hotel infrastructure in and around Delhi for the forthcoming Commonwealth Games, there is no question of extending the tax incentive to other parts of the country.